

**REMARKS**

This Application has been carefully reviewed in light of the Office Action mailed August 2, 2005. Applicants respectfully request reconsideration and favorable action in this case.

**Information Disclosure Statement (IDS)**

On January 20, 2004, Applicants submitted, as part of an Information Disclosure Statement (IDS), a PTO-1449 form that identified several references. A copy of the date-stamped return postcard is included herein to confirm the submission date. Copies of any non-U.S. patent references were submitted along with the PTO-1449 form.

Nonetheless, the copy of the PTO-1449 form returned with the present Office Action, failed to indicate consideration of references O and P on Page 1 and references N, O, and Q on Page 2 of the IDS. Accordingly, Applicants respectfully request that the Examiner now confirm the consideration of References O and P of Page 1 and references N, O, and Q of Page 2 of the previously filed Information Disclosure Statement. Specifically, Applicants respectfully request that the Examiner initial References O and P listed on Page 1 and References N, O, and Q listed on Page 2 of the PTO-1449 form to show that they were appropriately considered during examination of this Application.

**Section 102 Rejections**

The Examiner rejects Claims 1-4, 6-7, 9-17, 19-20, and 22-27 under 35 U.S.C. § 102(e) as being anticipated by U.S. Publication No. US 2003/0199315 A1 to Downes P.E. ("*Downes*"). Claim 1 recites:

A method of managing bets, comprising:

receiving one or more first type of bets, each first type having an associated bet amount and comprising a bet that the total number of units earned by a particular participant over a course of a plurality of events will fall within a first range of numbers, the particular participant selected from a plurality of participants each participating in at least one of the plurality of events;

receiving one or more second type of bets, each second type of bet having an associated bet amount and comprising a second bet that the total number of units earned by the particular participant in the plurality of events will fall within a second range of numbers;

determining the total number of units earned by the particular participant based at least in part on the positioning of the particular participant in each of the plurality of events;

determining whether the first type of bets or the second type of bets are winning bets based at least in part on whether the total number of units earned by the particular participant falls within the first range of numbers or the second range of numbers;

determining a betting pool based at least in part on the total of the bet amounts associated with the first type of bets and the total of the bet amounts associated with the second type of bets; and

determining an amount of a payout based at least in part on the betting pool and the total of the bet amounts associated with the winning bets.

*Downes* fails to recite, expressly or inherently, every element of Claim 1 for at least several reasons. First, *Downes* fails to disclose “receiving one or more first type of bets, each first type . . . comprising a bet that the total number of units earned by a particular participant over a course of a plurality of events will fall within a first range of numbers” and “receiving one or more second type of bets, each second type of bet . . . comprising a second bet that the total number of units earned by the particular participant in the plurality of events will fall within a second range of numbers.” Second, *Downes* fails to disclose “determining the total number of units earned by the particular participant based at least in part on the positioning of the particular participant in each of the plurality of events.” Thus, as described in greater detail below, *Downes* fails to disclose every element of Claim 1.

At the outset, Applicants respectfully note that the Examiner has failed to provide specific citations to the portions of the various references the Examiner relies upon and/or fails to identify within the references the elements the Examiner equates with the limitations of the rejected claims. Moreover, Applicants respectfully note that “[w]hen a reference is complex or shows or describes inventions other than that claimed by the applicant, the particular part relied on must be designated as nearly as practicable.” 37 C.F.R. § 1.104(c)(2). Thus, Applicants respectfully request that, if the Examiner continues to utilize these references in rejecting any of the claims of this Application, the Examiner identify the specific passages upon which the Examiner is relying and the specific elements of the cited references that the Examiner equates with the elements of the relevant claims.

Furthermore, as addressed in more detail below, Applicants also respectfully note that, with respect to any of the rejections the Examiner has made, hypothetical examples created by the Examiner of how the teachings of a particular reference might be applied are not sufficient grounds for asserting that a particular limitation is disclosed by the reference. Applicants respectfully note that “[t]he identical invention must be shown in as complete

detail as is contained in the ... claim,” and “[t]he elements must be arranged as required by the claim.” *Richardson v. Suzuki Motor Co.*, 868 F.2d 1226, 1236, 9 U.S.P.Q.2d 1913, 1920 (Fed. Cir. 1989); *In re Bond*, 15 U.S.P.Q.2d 1566 (Fed. Cir. 1990); M.P.E.P. § 2131 (emphasis added). Thus, examples provided by the Examiner that are not disclosed by the cited references are not an appropriate basis for a rejection. For example, in rejecting Claim 1 in light of *Downes*, the Examiner asserts that “[t]he first bet may be associated with quarterbacks in football that earn a number of units based upon [a] number of completed passes in a season” and that “[t]he second bet may be associated with linebackers in football that earn a number of units based upon the number of quarterback sacks in a season.” *Office Action*, p. 5. The cited portions of *Downes*, however, do not describe any bets “associated with quarterbacks in football *that earn a number of units* based on [a] number of completed passes in a season” (emphasis added) as the Examiner suggests. Moreover, the cited portions of *Downes* do not describe any bets placed on linebackers, let alone bets associated with linebackers in football *that earn a number of units* based upon the number of quarterback sacks in a season” (emphasis added) as the Examiner suggests. As a result, these examples are an improper basis for a 35 U.S.C. § 102 rejection. Thus, in general, Applicants respectfully request that, if the Examiner maintains the present rejections, he provide references that disclose every element of the rejected claims and not rely upon examples of his own creation.

Returning to the rejection of Claim 1, *Downes* fails to disclose “receiving one or more first type of bets, each first type . . . comprising a bet that the total number of units earned by a particular participant over a course of a plurality of events will fall within a first range of numbers” and “receiving one or more second type of bets, each second type of bet . . . comprising a second bet that the total number of units earned by the particular participant in the plurality of events will fall within a second range of numbers.” As noted above, the Examiner relies upon an example created by the Examiner to suggest that *Downes* discloses this element of Claim 1. As also noted above, *Downes* itself fails to disclose wagers associated with “quarterbacks in football that *earn a number of units* based upon [a] number of completed passes in a season” or “linebackers in football that *earn a number of units* based upon the number of quarterback sacks in a season” as described by the Examiner in his example. Therefore, the cited reference does not support the Examiner’s examples. Instead,

*Downes* indicates that “[w]agers may be placed on *where an individual player’s statistics will rank* compared to the statistics of other players of the same position (e.g., 1st, 2nd, 3rd).” ¶ 207, emphasis added. As a result, *Downes* does not disclose wagers relating to a “total number of units earned by a particular participant” and instead discloses wagers relating to “where a particular [participant’s] statistics will rank (e.g., 1st, 2nd, 3rd) compared to other [participants] for a given period of time.” ¶ 210.

Furthermore, even assuming for the sake of argument that the Examiner’s hypothetical examples were supported by the teachings of *Downes*, the examples provided by the Examiner do not disclose “receiving one or more first type of bets, each first type . . . comprising a bet that the total number of units earned by a particular participant over a course of a plurality of events will fall within a first range of numbers” and “receiving one or more second type of bets, each second type of bet . . . comprising a second bet that the total number of units earned by the particular participant in the plurality of events will fall within a second range of numbers.” In particular, the examples provided by the Examiner include a first bet associated with passes completed by a quarterback and a second bet associated with the number of sacks recorded by linebackers in a season. *Office Action*, p. 3. In other words, the hypothetical bets described by the Examiner represent a first bet tied to the performance of one participant and a second bet tied to the performance of a different participant. Thus, *Downes* does not disclose “receiving one or more first type of bets, each first type . . . comprising a bet that the total number of units earned by a particular participant over a course of a plurality of events will fall within a first range of numbers” and “receiving one or more second type of bets, each second type of bet . . . comprising a second bet that the total number of units earned by the particular participant in the plurality of events will fall within a second range of numbers” as recited by Claim 1.

Second, *Downes* does not disclose “determining the total number of units earned by the particular participant based at least in part on the positioning of the particular participant in each of the plurality of events.” In addressing this limitation, the Examiner asserts that “[t]he positioning may be the rank of the quarterbacks/linebackers over the season.” *Office Action*, p. 3. To whatever extent this may be true, the example provided by the Examiner relates to *a single rank* of each of the relevant participants *over a single season* and not to “the positioning of the particular participant in each of [a] plurality of events.” Thus, even if

the season is viewed as a series of games, neither the example provided by the Examiner nor *Downes* itself discloses “determining the total number of units earned by the particular participant based at least in part on the positioning of the particular participant in each of the plurality of [games],” as *Downes* discloses determining a ranking for the players only once, at the end of the season. Thus, *Downes* also fails to disclose “determining the total number of units earned by the particular participant based at least in part on the positioning of the particular participant in each of the plurality of events” as recited by Claim 1.

As a result, *Downes* fails to disclose, teach, or suggest every element of Claim 1. Claim 1 is thus allowable for at least these reasons. Applicants respectfully request reconsideration and allowance of Claim 1 and its dependents.

Although of differing scope from Claim 1, Claim 17 includes elements that, for reasons substantially similar to those discussed with respect to Claim 1, are not disclosed by *Downes*. Claim 17 is thus allowable. Applicants respectfully request reconsideration and allowance of Claim 17 and its dependents.

Furthermore, several of the dependents of Claim 1 include additional elements that are not disclosed by *Downes*. As one example, Claim 2 recites:

The method of Claim 1, wherein the number of units earned by the particular participant comprises the amount of money earned by the particular participant during the course of the plurality of events.

In rejecting Claim 2, the Examiner asserts that “[t]his would be applicable to the highest money winners such as in the PGA.” As noted above, hypothetical examples created by the Examiner are not an appropriate basis for a rejection under 35 U.S.C. § 102(a). In particular, *Downes* makes no reference to PGA money winners. In fact, the only reference to golf in *Downes* is the indication that:

Other human sporting events may have utility with respect to the game, depending on bettor interest. These sports include golf, tennis, soccer, vehicle (e.g., auto) racing, Australian football, rugby, cricket, jai-alai, hurling, lacrosse and others. The game types, statistics considered, scoring formulae, and the like, will vary depending on the sport.

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Thus, *Downes* does not disclose the highest money winner example described by the Examiner. Moreover, *Downes* does not disclose “wherein the number of units earned by the particular participant comprises the amount of money earned by the particular participant

during the course of the plurality of events” as recited by Claim 2. Claim 2 is thus allowable for at least this additional reason. Applicants respectfully request reconsideration and allowance of Claim 2.

As another example, Claim 14 recites:

The method of Claim 1, further comprising, after one or more of the plurality of events has occurred, for a particular one of the first type of bets:

- receiving a request to settle the bet;
- determining an amount of a settlement payment for the bet based at least in part on the positioning of the particular participant in each of the one or more events that has occurred;
- paying out the settlement payment; and
- canceling the particular bet.

Applicants respectfully note, that, in rejecting this Claim, the Examiner fails to identify specific elements of *Downes* that the Examiner equates with the elements of Claim 14 and instead cites generically to the same two-and-a-half pages of text that the Examiner uses to reject Claim 1 and the majority of its dependents. As noted above, Applicants respectfully request that, if the Examiner continues to utilize *Downes* in rejecting Claim 14, the Examiner identify the specific passages upon which the Examiner is relying. Nonetheless, *Downes* fails to disclose “receiving a request to settle the bet,” “determining an amount of a settlement payment for the bet based at least in part on the positioning of the particular participant in each of the one or more events that has occurred,” “paying out the settlement payment,” and “canceling the particular bet” as recited by Claim 14.

As a result, *Downes* fails to disclose additional elements of Claim 14. Claim 14 is thus allowable for at least these additional reasons. Applicants respectfully request reconsideration and allowance of Claim 14.

### **Section 103 Rejections**

The Examiner rejects Claims 5, 8, 18, 21, and 28-52 under 35 U.S.C. § 103(a) as being unpatentable over *Downes* in view of Scarne’s New Complete Guide to Gambling by John Scarne (“*Scarne*”).

Claims 5 and 8 depend from Claim 1, while Claims 18 and 21 depend from Claim 17. Claims 1 and 17 have been shown above to be allowable. Claims 5, 8, 18, and 21 are thus allowable for at least these reasons. Applicants respectfully request reconsideration and allowance of Claims 5, 8, 18, and 21.

Additionally, Applicants respectfully note that the Examiner mistakenly bases the Examiner's rejection of Claims 28 and 42 on the language of Claim 5. Claims 28 and 42, however, are of a different scope from Claim 5. For example, Claim 28 recites:

A method of managing bets, comprising:

for each of a plurality of participants participating in one or more of a plurality of events, receiving one or more participant bets, each participant bet having an associated bet amount and comprising a bet that the number of units earned by that participant over the course of the plurality of events will exceed a particular index number before the number of units earned by any other of the plurality of participants exceeds the particular index number;

for each of the plurality of participants, determining the total number of units earned by that participant based at least in part on the positioning of that participant in at least a portion of the plurality of events in which that participant participates;

determining as the winning participant the participant for which the number of units earned by that participant exceeds the particular index number before the number of units earned by any other of the participants exceeds the particular index number; and

identifying winning participant bets based at least in part on the determined winning participant.

*Downes* fails to disclose, teach, or suggest every element of Claim 28 for at least several reasons. As one example, *Downes* fails to disclose “for each of a plurality of participants participating in one or more of a plurality of events, receiving one or more participant bets, each participant bet . . . comprising a bet that the number of units earned by that participant over the course of the plurality of events will exceed a particular index number before the number of units earned by any other of the plurality of participants exceeds the particular index number[.]” As another example, *Downes* also fails to disclose “determining as the winning participant the participant for which the number of units earned by that participant exceeds the particular index number before the number of units earned by any other of the participants exceeds the particular index number.”

Combining *Downes* with *Scarne* fails to remedy these omissions. In rejecting Claim 28, the Examiner asserts that the proposed *Downes-Scarne* combination “could be used to determine a winner of a bet based upon a quarterback throwing a certain number of touch downs above or below a predetermined number over an entire season.” *Office Action*, p. 9. Neither *Scarne* nor the proposed *Downes-Scarne* combination discloses receiving a bet that the number of units earned by that participant over the course of the plurality of events will exceed the particular index number “before the number of units earned by any other of the

plurality of participants exceeds the particular index number” as recited by Claim 28. Thus, the proposed *Downes-Scarne* combination fails to disclose “for each of a plurality of participants participating in one or more of a plurality of events, receiving one or more participant bets, each participant bet having an associated bet amount and comprising a bet that the number of units earned by that participant over the course of the plurality of events will exceed a particular index number before the number of units earned by any other of the plurality of participants exceeds the particular index number” as recited by Claim 28.

Furthermore, the proposed *Downes-Scarne* combination is improper. In particular, Applicants respectfully note that, to establish a prima facie case of obviousness, the Examiner must identify within the references some suggestion or motivation to combine the references. M.P.E.P. § 2143. Applicants respectfully assert that the Examiner provides no such suggestion or motivation. With respect to the proposed combination, the Examiner states only that:

It would have been obvious for one having ordinary skill in the art at the time of Applicant’s invention to incorporate Scarne’s over and under bet in Downes. For instance, an over and under bet could be used to determine a winner of a vet based upon a quarterback throwing a certain number of touch downs above or below a predetermined number over an entire season. One would be motivated to incorporate this type of wager in Downes in order to increase the excitement and number of possible wagers available to a player in a wagering game.

*Office Action*, p. 9.

These conclusory statements however identify no motivation or suggestion within the references to combine the references as required by M.P.E.P. § 2143 and amount to hindsight reconstruction of the relevant claims. In fact, the logic provided by the Examiner for combining the two could be used to justify combination of *Downes* with any other reference disclosing types of wagers, no matter how remotely related the second reference might be to the teachings of *Downes*. Because the Examiner fails to identify any motivation or suggestion within the references to make the proposed combination, the *Downes-Scarne* combination is improper.

As a result, the proposed *Downes-Scarne* combination fails to disclose, teach, or suggest every element of Claim 28. Additionally, the proposed combination is improper.



Claim 28 is thus allowable for at least these reasons. Applicants respectfully request reconsideration and allowance of Claim 28 and its dependents.

Although of differing scope from Claim 28, Claim 42 includes elements that, for reasons substantially similar to those disclosed with respect to Claim 28, are not disclosed, taught, or suggested by the cited references. Claim 42 is thus allowable for at least these reasons. Applicants respectfully request reconsideration and allowance of Claim 42 and its dependents.

### **Double Patenting Rejections**

The Examiner provisionally rejects Claims 1-52 under the judicially created doctrine of obviousness-type double patenting as being unpatentable over Claims 1-23 of copending Application No. 10/667,755, Claims 1-68 of copending Application No. 10/836, 999, Claims 1-22 of copending Application No. 10/453,761, Claims 1-29 of copending Application No. 10/453,557, and Claims 1-19 of copending Application No. 10/062,745.

Applicants again respectfully note that the Examiner has failed to provide specific citations to the portions of the various references the Examiner relies upon and/or fails to identify within the references the elements the Examiner equates with the limitations of the rejected claims. Moreover, Applicants respectfully request that, if the Examiner continues to utilize these references in rejecting any of the claims of this Application, the Examiner identify the specific passages upon which the Examiner is relying. Nonetheless, none of the cited applications include claims that are identical or patentably indistinct from Claims 1-52 of the present application.

In addressing these rejections, Applicants respectfully note that none of the Applicants are presently a named inventor or an assignee of copending Application No. 10/062,745, nor is the assignee of the present Application the assignee of Application No. 10/062,745. Thus, Application No. 10/062,745 is not a proper basis for a double-patenting rejection of the claims of the present Application.

With respect to the remaining applications, none of these claims subject matter that is coextensive in scope with that claimed by the present Application. For example, Claim 1 of Application No. 10/667,755 teaches a method of managing bets comprising, *inter alia*:

receiving a first bet at a first quote, the first bet having an associated first unit stake, the first quote corresponding with the total number of units potentially earned by a participant in a plurality of events[.]

Claim 1 of Application No. 10/667,755 however fails to disclose receiving a bet that the total number of units earned by a particular participant “will fall within a first range of numbers” as recited by Claim 1 of the present Application. Claim 1 of Application No. 10/667,755 also fails to disclose receiving a bet that the number of units earned by that participant “will exceed a particular index number before the number of units earned by any other of the plurality of participants exceeds the particular index number” as recited by Claim 28 of the present Application. Thus, Claim 1 of Application No. 10/667,755 is not coextensive in scope with either of Claims 1 and 28 of the present Application.

Claim 1 of Application No. 10/836,999 teaches a method for wagering, comprising, *inter alia*:

- receiving a bet regarding a plurality of outcomes associated with financial market indicators, the bet comprising:

- a first bet component indicating whether a value of a first financial market indicator will go up or go down in a first predetermined period of time;
  - and

- a second bet component indicating whether a value of a second financial market indicator will go up or go down in a second predetermined period of time;

Claim 1 of Application No. 10/836,999 however fails to disclose receiving a bet that the total number of units earned by a particular participant over a course of a plurality of events “will fall within a first range of numbers” as recited by Claim 1 of the present Application. Claim 1 of Application No. 10/836,999 also fails to disclose receiving a bet that the number of units earned by that participant “will exceed a particular index number before the number of units earned by any other of the plurality of participants exceeds the particular index number” as recited by Claim 28 of the present Application. Thus, Claim 1 of Application No. 10/836,999 is not coextensive in scope with either of Claims 1 and 28 of the present Application.

Claim 1 of Application No. 10/453,761 teaches a method of managing bets, comprising, *inter alia*:

- receiving one or more first type of bets, each first type of bet associated with a bet amount and comprising a bet that a participant selected

from a set of participants in an event will finish in a predetermined subset of finishing positions associated with the event[.]

Claim 1 of Application No. 10/453,761 however fails to disclose receiving a bet that the total number of units earned by a particular participant “over a course of a plurality of events” will fall within a first range of numbers as recited by Claim 1 of the present Application. Claim 1 of Application No. 10/453,761 also fails to disclose receiving a bet that the number of units earned by that participant “will exceed a particular index number before the number of units earned by any other of the plurality of participants exceeds the particular index number” as recited by Claim 28 of the present Application. Thus, Claim 1 of Application No. 10/453,761 is not coextensive in scope with either of Claims 1 and 28 of the present Application.

Claim 1 of Application No. 10/453,557 teaches a method of managing bets, comprising, *inter alia*:

- receiving a first bid identifying a first bid amount and a first participant of a plurality of participants in an event;

- receiving a second bid identifying a second bid amount and the first participant;

- storing a first bet associated with a first bet amount, wherein the first bet comprises a bet that the first participant will finish in a particular finishing position associated with the event and wherein the first bet amount comprises the greater of the first bid amount and the second bid amount;

Claim 1 of Application No. 10/453,557 however fails to disclose receiving a bet that the total number of units earned by a particular participant “over a course of a plurality of events” will fall within a first range of numbers as recited by Claim 1 of the present Application. Claim 1 of Application No. 10/453,557 also fails to disclose receiving a bet that the number of units earned by that participant “will exceed a particular index number before the number of units earned by any other of the plurality of participants exceeds the particular index number” as recited by Claim 28 of the present Application. Thus, Claim 1 of Application No. 10/453,557 is not coextensive in scope with either of Claims 1 and 28 of the present Application.

Furthermore, as the Examiner concedes, “the conflicting claims are not identical.” *Office Action*, p. 10. Applicants, however, respectfully traverse the Examiner’s assertion that “they are not patentably distinct from each other because each is directed to a quote versus a number of units, a value or a monetary value indicator versus a number of units, a finishing

position versus a number of units, a bid amount versus a number of units, or possible outcomes versus a number of units” because, even to whatever extent the cited elements of the various applications might be patentably indistinct from the “units” of the present Claim 1, the Examiner has improperly removed the cited elements from the context of their respective claims, ignoring limitations within those claims that differentiate them from the claims of the present Application. Thus, as shown above, the claims of the cited applications do not disclose, teach, or suggest every element of Claims 1 and 28, and Claims 1 and 28 are therefore patentably distinct from the claims of the cited applications. Although of differing scope from Claims 1 and 28, Claims 17 and 42 are, for reasons substantially similar to those discussed with respect to Claims 1 and 28, respectively, not coextensive in scope with the claims of any of the cited applications. Claims 1, 17, 28, and 42 are thus allowable for at least these reasons. Applicants respectfully request reconsideration and allowance of Claims 1, 17, 28, and 42, and their respective dependents.

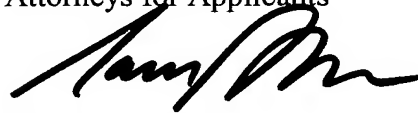
Conclusions

Applicants have made an earnest attempt to place this case in condition for allowance. For the foregoing reasons, and for other reasons clearly apparent, Applicants respectfully request full allowance of all pending Claims. If the Examiner feels that a telephone conference or an interview would advance prosecution of this Application in any manner, the undersigned attorney for Applicants stands ready to conduct such a conference at the convenience of the Examiner.

No fees are believed to be due, however, the Commissioner is hereby authorized to charge any fees or credit any overpayments to Deposit Account No. 02-0384 of Baker Botts L.L.P.

Respectfully submitted,

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